



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

**News Release**

**LINDA LINGLE**  
GOVERNOR

---

PEARL IMADA IBOSHI, DIRECTOR  
COLLEEN Y. LaCLAIR, DEPUTY DIRECTOR  
Phone: (808) 586-8844  
Fax: (808) 586-9099

---

**MR 2010 15**

For Immediate Release: September 22, 2010

**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE  
REMAINS AT 6.4 PERCENT IN AUGUST**  
National Unemployment Rate at 9.6 percent

**2,000 More People in Hawai'i Employed Compared to Last Year**

**HONOLULU-** The Hawai'i State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for August was 6.4 percent, unchanged from the revised rate of 6.4 percent in July. Nationally, the seasonally adjusted unemployment rate changed slightly to 9.6 percent in August from 9.5 percent in July. There were 594,200 employed and 40,900 unemployed in August, for a total seasonally adjusted labor force of 635,100.

"Hawai'i's unemployment rate continues to hold steady at significantly lower rates this year as compared to last," said Director Pearl Imada Iboshi. "Importantly, approximately 2,000 more people in Hawai'i are employed this year as compared to last."

State of Hawai'i Seasonally Adjusted Labor Force Data**			
	<u>Aug</u> <u>2010</u>	<u>Jul 2010</u>	<u>Aug</u> <u>2009*</u>
Labor Force	635,100	634,750	636,800
Employment	594,200	594,350	592,150
Unemployment	40,900	40,400	44,650

\* benchmarked data

\*\*totals may not add due to rounding

	AUG 2010	JUL 2010	AUG* 2009
<u>Seasonally Adjusted</u>			
<b>STATE</b>	<b>6.4</b>	<b>6.4</b>	<b>7.0</b>
<b>U. S.</b>	<b>9.6</b>	<b>9.5</b>	<b>9.7</b>
<u>Not Seasonally Adjusted</u>			
<b>STATE</b>	<b>6.6</b>	<b>6.8</b>	<b>7.1</b>
HONOLULU	5.6	5.8	6.0
HAWAI'I COUNTY	9.8	10.1	10.1
KAUA'I	8.7	8.7	9.3
MAUI COUNTY	8.1	8.2	9.0
Maui Island	7.9	8.0	8.8
Moloka'i	13.9	14.8	14.1
Lana'i	6.2	7.0	12.0
<b>U. S.</b>	<b>9.5</b>	<b>9.7</b>	<b>9.6</b>

county & island rates are not seasonally adjusted

\* benchmarked  
data

The unemployment rate figures for the State of Hawai'i and the U.S. in this release are seasonally adjusted, in accordance with the U.S. Bureau of Labor Statistics (BLS) methodology.

The not seasonally adjusted rate for the State declined to 6.6 percent in August from 6.8 percent in July.

**Industry Payroll Employment (Establishment Survey)**

In another measure of employment, total seasonally adjusted nonagricultural jobs decreased by 6,300 or -1.1 percent to 586,500 in August. The sectors registering job increases included Leisure and Hospitality (+700); Construction (+200); and Financial Activities (+100). Other Services remained unchanged. The industries recording job decreases were Trade, Transportation, and Utilities (-300); Professional and Business Services (-600); and Educational and Health Services (-1,400). Government dropped predominantly in State Government. Over-the-year, from August 2009, the seasonally adjusted job count rose by a minimal 300 jobs or +0.1 percent. The industries posting job growth in the private sector included Leisure and Hospitality (+3,700); Educational and Health Services (+2,700).

**Seasonally Adjusted Non-Ag. Jobs (Statewide)**

<b>SELECTED SERIES:</b>	<b>Aug-10</b>	<b>Jul-10</b>	<b>Aug-09*</b>
MINING, LOGGING AND AND CONSTRUCTION	28,700	28,500	30,100
TRADE, TRANSPORTATION & UTILITIES	111,700	112,000	110,000
Wholesale Trade	17,300	17,000	17,600
Retail Trade	67,400	67,700	65,700
FINANCIAL ACTIVITIES	27,200	27,100	27,400
Real Estate & Rental & Leasing	11,300	11,200	11,200
PROFESSIONAL & BUSINESS SERVICES	67,900	68,500	70,100
Professional, Scientific, Tech Svcs	23,200	23,800	24,300
EDUCATIONAL & HEALTH SERVICES	76,900	78,300	74,200
Educational Services	16,100	17,000	14,600
Health Care & Social Assistance	60,800	61,300	59,600
LEISURE & HOSPITALITY	103,800	103,100	100,100
Arts, Entertainment & Recreation	10,300	10,300	10,700
Accommodation & Food Services	93,500	92,800	89,400
OTHER SERVICES	26,300	26,300	25,800
GOVERNMENT	121,900	127,100	126,100
Federal Government	34,900	35,100	33,300
State Government	68,600	73,300	74,500
Local Government	18,400	18,700	18,300
<b>TOTAL: STATEWIDE</b>	<b>586,500</b>	<b>592,800</b>	<b>586,200</b>

\* Benchmarked Data

❖ **Leisure and Hospitality (+700)**

Leisure & Hospitality registered a 700-job gain from July increasing for the second consecutive month. Arts, Entertainment and Recreation remained relatively steady. The increase in fitness and recreational sports centers; bowling centers; and other amusement and recreation industries was offset by the decrease in performing arts companies. Accommodation and Food Services accounted for the entire increase in this industry. Accommodations made up the larger proportion of the job gain partly due to the increase in visitor arrivals and hotel occupancy rates. Food Services reported growth in limited-service eating places; and drinking places (alcoholic beverages).

❖ **Construction (+200)**

Construction trended up slightly after declining for two straight months. Most of the increase was in Special Trade Contractors in site preparation contractors; and building finishing contractors. Over-the-year from August 2009, this major industry contracted by 1,400 jobs or -4.7 percent due partially to the slowdown in construction activities and delay in starting new projects.

❖ **Financial Activities (+100)**

Financial Activities added a modest 100 jobs after falling for five months in a row. Finance and Insurance reported no change. The uptrend in mortgage and nonmortgage loan brokers countered the downtrend in nondepository credit intermediation; and insurance carriers. Real Estate and Rental and Leasing rose in automotive equipment rental and leasing.

❖ **Other Services (No Change)**

Other Services remained steady for two straight months. The upturn in automotive repair and maintenance was cancelled by the downturn in drycleaning and laundry services.

❖ **Trade, Transportation, and Utilities (-300)**

This major series recorded a 300-job drop after growing for two consecutive months. Wholesale Trade rose by 300 jobs in machinery, equipment, and supplies merchant wholesalers. Meanwhile, Retail Trade lost 300 jobs in health and personal care stores; and sporting goods, hobby, and musical instrument stores. Transportation and Warehousing comprised the remaining job loss in this industry, most of which occurred in scenic and sightseeing transportation, water; as well as in general freight trucking.

❖ **Professional and Business Services (-600)**

This industry shaved 600 jobs after experiencing a modest increase a month earlier. Professional, Scientific, and Technical Services composed the entire job decline, the majority of which were in computer systems designs and related services in addition to legal

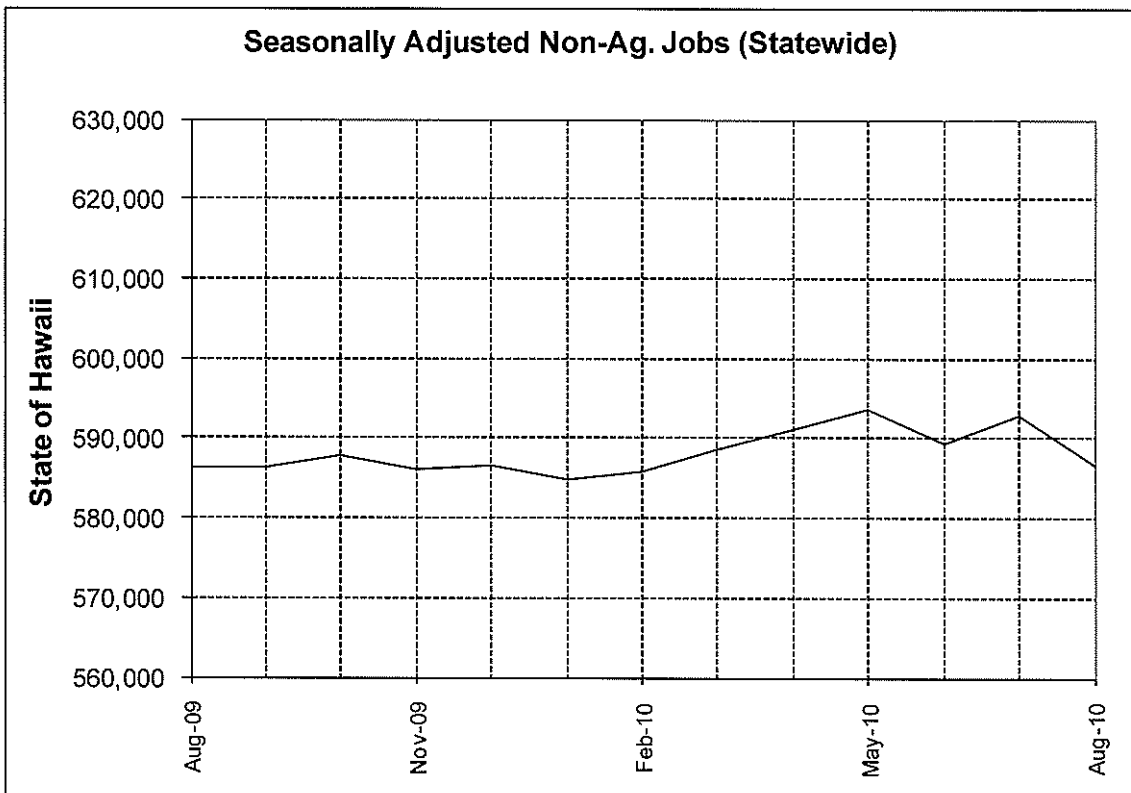
services; and management, scientific, and technical consulting services. Management of Companies and Enterprises; and Administrative and Support and Waste Management and Remediation Services remained constant. In Administrative and Support Services, the increase in investigation and security services was offset by the decrease in employment services.

❖ **Educational and Health Services (-1,400)**

Educational and Health Services contracted by 1,400 jobs in both basic categories following a moderate gain a month ago. Educational Services fell by 900 jobs in elementary and secondary schools; and other schools and instruction. Health Care and Social Assistance accounted for the remaining 500-job drop in various entities. Jobs were curtailed in hospitals; nursing and residential care facilities; and social assistance in vocational rehabilitation services.

❖ **Government (-5,200)**

Government declined by 5,200 jobs from July falling in all branches of government. Federal Government trimmed 200 jobs as it continued to release its 2010 temporary decennial census employees. Local Government lost 300 jobs. State Government decreased by 4,700 jobs even as it continued to hire additional summer student interns under the summer youth employment program. The majority of the reduction was predominantly in the Department of Education due to its year-round school session.



#### Technical Notes

##### **Seasonal Adjustment**

The seasonal fluctuations in the number of employed and unemployed persons reflect hiring (and layoffs) patterns that accompany regular events such as the winter holiday season and the summer vacation season. These variations make it difficult to tell whether month-to-month changes in employment and unemployment are due to normal seasonal patterns or to changing economic conditions. To deal with such problems, a statistical technique called seasonal adjustment is used. This technique uses the past history of the series to identify the seasonal movements and to calculate the size and direction of these movements. A seasonal adjustment factor is then developed and applied to the estimates to eliminate the effects of regular seasonal fluctuations on the data. When a statistical series has been seasonally adjusted, data for any

month can be more meaningfully compared with data from any other month or with an annual average.

### **Current Population (Household) Survey (CPS)**

The labor force statistics are derived from a survey based on the week including the 12<sup>th</sup> of each month of Hawai'i residents with a sample size of about 1,000 households. A series of questions are asked to assess whether a person is currently part of the labor force, and if so, what is their current employment status. Employed persons consist of: 1) all persons who did any work for pay or profit during the survey reference week, 2) all persons who did at least 15 hours of unpaid work in a family-owned enterprise operated by someone in their household, and 3) all persons who were temporarily absent from their regular jobs, whether they were paid or not. Persons are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. Workers expecting to be recalled from layoff are counted as unemployed, whether or not they have engaged in a specific job seeking activity. Persons not in the labor force are those who are not classified as employed or unemployed during the survey reference week.

### **Changes to Local Area Unemployment Statistics Data**

The 2009 labor force estimates have been revised to incorporate updated inputs, updated population controls, re-estimation of models, and adjustment to new division and national control totals. The updated population controls reflect the annual updating of population estimates by the U.S. Census Bureau.

In addition, the Local Area Unemployment Statistics program has introduced a long-run trend smoothing procedure to its seasonally adjusted data series back to January 1976. The smoothing procedure reduces month-to-month volatility in the estimates and addresses long-



standing disconnection issues related to end-of-year revisions that will enhance the analytical capability of the estimates. For more information about this topic, please see the questions and answers on the Bureau of Labor Statistics website at [www.bls.gov/lau/lassaqa.htm](http://www.bls.gov/lau/lassaqa.htm).